By: Brown of Kaufman H.B. No. 3616

Substitute the following for H.B. No. 3616:

By: Callegari C.S.H.B. No. 3616

## A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the creation, administration, powers, duties,
- 3 operation, and financing of the Kingsborough Municipal Utility
- 4 District No. 7 of Kaufman County.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. DEFINITIONS. In this Act:
- 7 (1) "Board" means the board of directors of the
- 8 district.
- 9 (2) "Commission" means the Texas Commission on
- 10 Environmental Quality.
- 11 (3) "District" means the Kingsborough Municipal
- 12 Utility District No. 7 of Kaufman County.
- 13 SECTION 2. CREATION. (a) A conservation and reclamation
- 14 district, to be known as the Kingsborough Municipal Utility
- 15 District No. 7 of Kaufman County, is created in Kaufman County,
- 16 subject to approval at a confirmation election under Section 13 of
- 17 this Act.
- 18 (b) The district is a governmental agency and a political
- 19 subdivision of this state.
- 20 SECTION 3. AUTHORITY FOR CREATION. The district is created
- 21 under and is essential to accomplish the purposes of Section 52,
- 22 Article III, and Section 59, Article XVI, Texas Constitution.
- 23 SECTION 4. FINDING OF BENEFIT AND PUBLIC PURPOSE. (a) The
- 24 district is created to serve a public use and benefit.

- 1 (b) All of the land and other property included within the
- 2 boundaries of the district will be benefited by the works and
- 3 projects that are to be accomplished by the district under powers
- 4 conferred by Section 52, Article III, and Section 59, Article XVI,
- 5 Texas Constitution.
- 6 SECTION 5. BOUNDARIES. The boundaries of the district are
- 7 as follows:
- 8 BEING all that certain lot, tract or parcel of land located in
- 9 the J. G. Moore Survey, Abstract No. 309, Kaufman County, Texas, and
- 10 being a portion of that certain called 1000 acre tract of land
- 11 conveyed to Fitzpatrick, Ltd., according to the deed filed for
- 12 record in Volume 1166, Page 368 of the Deed Records of Kaufman
- 13 County, Texas, and being more particularly described by metes and
- 14 bounds as follows:
- 15 BEGINNING at the North corner of said called 1000 acre tract
- 16 and the East corner of that certain tract of land conveyed to the
- 17 West Foundation, and described as Tract K31 in the deed filed for
- 18 record in Volume 749, Page 245, Deed Records, Kaufman County,
- 19 Texas, said point also being in County Road No. 260 (an undefined
- 20 width public roadway);
- THENCE South 47 deg. 51 min. 37 sec. East, along the Northeast
- 22 boundary line of said called 1000 acre tract, and generally along
- 23 said County Road No. 260, a distance of 1400.00 feet;
- THENCE South 46 deg. 15 min. 37 sec. East, continuing along
- 25 the Northeast boundary line of said called 1000 acre tract and
- 26 generally along said County Road No. 260, a distance of 1273.15
- 27 feet;

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- 1 THENCE South 44 deg. 01 min. 29 sec. West, departing the
- 2 Northeast boundary line of said called 1000 acre tract, a distance
- 3 of 5450.63 feet, to the beginning of a non-tangent curve to the left
- 4 having a radius of 2640.00 feet
- 5 THENCE along said non-tangent curve to the left and in a
- 6 Northwesterly direction, through a central angle of 22 deg. 03 min.
- 7 43 sec., an arc length of 1016.54 feet, said curve also having a
- 8 long chord which bears North 34 deg. 42 min. 22 sec. West, 1010.27
- 9 feet;
- 10 THENCE North 45 deg. 44 min. 13 sec. West, a distance of
- 11 1700.00 feet, to the beginning of a non-tangent curve to the left
- 12 having a radius of 2640.00 feet;
- 13 THENCE along said non-tangent curve to the left and in a
- 14 Northwesterly direction, through a central angle of 00 deg. 01 min.
- 15 24 sec., an arc length of 1.07 feet, said curve also having a long
- 16 chord which bears North 45 deg. 44 min. 55 sec. West, 1.07 feet, to a
- 17 the Northwest boundary line of the aforementioned called 1000 acre
- 18 tract;
- 19 THENCE North 44 deg. 14 min. 23 sec. East, along the Northwest
- 20 boundary line of said called 1000 acre tract, a distance of 5193.79
- 21 feet, to the POINT OF BEGINNING and containing 323.760 acres
- 22 (14,102,963 square feet), of land.
- 23 SECTION 6. FINDINGS RELATING TO BOUNDARIES. The
- 24 legislature finds that the boundaries and field notes of the
- 25 district form a closure. If a mistake is made in the field notes or
- 26 in copying the field notes in the legislative process, the mistake
- 27 does not affect in any way:

- 1 (1) the organization, existence, or validity of the
- 2 district;
- 3 (2) the right of the district to impose taxes; or
- 4 (3) the legality or operation of the district or the
- 5 board.
- 6 SECTION 7. GENERAL POWERS. (a) Except as provided by
- 7 Subsection (b) of this section, the district has all of the rights,
- 8 powers, privileges, authority, functions, and duties provided by
- 9 the general law of this state, including Chapters 49 and 54, Water
- 10 Code, applicable to municipal utility districts created under
- 11 Section 59, Article XVI, Texas Constitution. This Act prevails
- 12 over any provision of general law that is in conflict or
- inconsistent with this Act.
- 14 (b) The district may not provide retail water service to an
- area designated by ordinance or resolution of the governing body of
- 16 a municipality as within the water service area, extraterritorial
- 17 jurisdiction, or corporate limits of that municipality if the
- 18 municipality:
- 19 (1) has a population of less than 5,000; and
- 20 (2) has not given its express written consent.
- 21 SECTION 8. ADDITIONAL POWERS. (a) The district has the
- 22 additional rights, powers, privileges, authority, and functions
- 23 provided by this section.
- (b) To the extent authorized by Section 52, Article III,
- 25 Texas Constitution, the district may provide for the construction,
- 26 maintenance, and operation inside or outside the boundaries of the
- 27 district of:

- 1 (1) paved roads and turnpikes; or
- 2 (2) works, facilities, or improvements related to the
- 3 roads and turnpikes.
- 4 SECTION 9. BONDS. (a) The district may issue bonds as
- 5 provided by Chapters 49 and 54, Water Code, and the general laws of
- 6 this state.
- 7 (b) The district may issue bonds, notes, or other
- 8 obligations of the district to finance construction, maintenance,
- 9 and operation under Section 8 of this Act and may impose a tax to pay
- 10 the principal of or interest on bonds issued under this subsection.
- 11 (c) The district may not issue bonds under Subsection (b) of
- 12 this section unless the issuance is approved by a vote of a
- 13 two-thirds majority of the qualified voters of the district voting
- 14 at an election called for that purpose. Bonds, notes, or other
- obligations issued or incurred under Subsection (b) of this section
- 16 may not exceed one-fourth of the assessed value of the real property
- in the district.
- (d) Sections 49.181 and 49.182, Water Code, do not apply to
- 19 projects undertaken by the district under Section 8(b) of this Act
- 20 or to bonds issued by the district under Subsection (b) of this
- 21 section.
- 22 SECTION 10. EMINENT DOMAIN. The district may exercise the
- 23 right of eminent domain, as provided by Section 49.222, Water Code,
- only within the boundaries of the district.
- 25 SECTION 11. BOARD OF DIRECTORS. (a) The district is
- 26 governed by a board of five directors.
- 27 (b) Temporary directors serve until initial directors are

- 1 elected under Section 13 of this Act.
- 2 (c) Initial directors serve until permanent directors are
- 3 elected under Section 14 of this Act.
- 4 (d) Permanent directors serve staggered four-year terms.
- 5 (e) Each director must qualify to serve as director in the 6 manner provided by Section 49.055, Water Code.
- 7 SECTION 12. APPOINTMENT OF TEMPORARY DIRECTORS. (a) On or
- 8 after the effective date of this Act, a person who owns land in the
- 9 district may submit a petition to the commission requesting that
- 10 the commission appoint as temporary directors the five persons
- 11 named in the petition.
- 12 (b) Subject to Subsection (e) of this section, the
- 13 commission shall appoint as temporary directors the five persons
- 14 named in the first petition received by the commission.
- 15 (c) If a temporary director fails to qualify for office, the
- 16 commission shall appoint a person to fill the vacancy.
- 17 (d) As soon as practicable after all of the temporary
- 18 directors have qualified, the temporary directors shall meet and
- 19 elect officers from among their membership.
- 20 (e) The commission may appoint temporary directors for a
- 21 district that is located wholly or in part within an area designated
- 22 by ordinance or resolution of the governing body of a municipality
- 23 with a population of less than 5,000 as the water service area,
- 24 extraterritorial jurisdiction, or corporate limits of that
- 25 municipality only if the municipality has given its express written
- 26 consent to the creation of the district. The municipality may give
- its consent only on the execution of a written agreement between the

- 1 developer of the district and a school district affiliated with the
- 2 municipality providing that the district will:
- 3 (1) fund the construction of buildings and
- 4 improvements for the school district; and
- 5 (2) establish an educational fund for the school
- 6 district of an amount based on an annually determined transaction
- 7 fee on the sale and resale of any home within the district
- 8 boundaries for the duration of the existence of the district.
- 9 SECTION 13. CONFIRMATION AND INITIAL DIRECTORS ELECTION.
- 10 (a) Subject to Subsection (b) of this section, the temporary board
- 11 of directors shall call and hold an election to confirm
- 12 establishment of the district and to elect five initial directors
- in the manner provided by Chapter 49, Water Code.
- (b) The temporary board of directors may call and hold an
- 15 election to confirm establishment of a district that is located
- 16 wholly or in part within an area designated by ordinance or
- 17 resolution of the governing body of a municipality with a
- 18 population of less than 5,000 as the water service area,
- 19 extraterritorial jurisdiction, or corporate limits of that
- 20 municipality only if the municipality has given its express written
- 21 consent to the creation of the district. The municipality may give
- its consent only on the execution of a written agreement between the
- 23 developer of the district and a school district affiliated with the
- 24 municipality providing that the district will:
- 25 (1) fund the construction of buildings and
- 26 improvements for the school district; and
- 27 (2) establish an educational fund for the school

- 1 district of an amount based on an annually determined transaction
- 2 fee on the sale and resale of any home within the district
- 3 boundaries for the duration of the existence of the district.
- 4 SECTION 14. ELECTION OF DIRECTORS. The board shall call and
- 5 hold elections to elect permanent directors in the manner provided
- 6 by Chapter 49, Water Code.
- 7 SECTION 15. FINDINGS RELATED TO PROCEDURAL REQUIREMENTS.
- 8 (a) The legal notice of the intention to introduce this Act,
- 9 setting forth the general substance of this Act, has been published
- 10 as provided by law, and the notice and a copy of this Act have been
- 11 furnished to all persons, agencies, officials, or entities to which
- 12 they are required to be furnished under Section 59, Article XVI,
- 13 Texas Constitution, and Chapter 313, Government Code.
- 14 (b) The governor has submitted the notice and Act to the
- 15 commission.
- 16 (c) The commission has filed its recommendations relating
- 17 to this Act with the governor, lieutenant governor, and speaker of
- 18 the house of representatives within the required time.
- 19 (d) All requirements of the constitution and laws of this
- 20 state and the rules and procedures of the legislature with respect
- 21 to the notice, introduction, and passage of this Act are fulfilled
- 22 and accomplished.
- 23 SECTION 16. EFFECTIVE DATE; EXPIRATION DATE. (a) This Act
- takes effect September 1, 2003.
- 25 (b) If the creation of the district is not confirmed at a
- 26 confirmation election held under Section 13 of this Act before
- 27 September 1, 2005, this Act expires on that date.